

Message Text

LIMITED OFFICIAL USE

PAGE 01 GENEVA 12528 211534Z

ACTION EB-04

INFO OCT-01 SS-14 ISO-00 STR-02 STRE-00 TRSE-00 COME-00

LAB-01 SIL-01 AGRE-00 OMB-01 SP-02 INR-05 CIAE-00

INRE-00 SSO-00 L-01 EUR-08 IO-06 /046 W

-----116302 211551Z /43

O 211506Z DEC 77

FM USMISSION GENEVA

TO SECSTATE WASHDC IMMEDIATE 4313

INFO AMEMBASSY BRUSSELS

AMEMBASSY PARIS

LIMITE OFFICIAL USE GENEVA 12528

LIMDIS

USMTN

USEEC

PASS STR ELECTRONICALLY FOR AMBASSADORS STRAUSS AND WOLFF

STATE PASS BARRACLOUGH

TREASURY PASS BERGSTEN

COMMERCE PASS WEIL

LABOR PASS SAMUEL

USDA PASS HATHAWAY

E.O. 11652: N/A

TAGS: ETRD, MTN, EC

SUBJECT: MCDONALD/DE MOREL CONVERSATIONS ON DECEMBER 20

1. IN RETURNING FROM BRUSSELS, AMBASSADOR MCDONALD
PASSED THROUGH PARIS AND ENROUTE SPENT SOME TWO HOURS
WITH BERTRAND LARRERA DE MOREL AND HIS TOP AIDE, JEAN-
CLAUDE PREVEL. IT WAS CLEAR FROM THESE DISCUSSIONS THAT
THE FRENCH MTN POSITIONS ARE CURRENTLY AS FOLLOWS:

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 GENEVA 12528 211534Z

A) THE FRENCH WOULD LIKE TO AVOID AT ALMOST ANY PRICE
THE PUBLICATION AND CIRCULATION OF PAPERS BY THE GATT
SECRETARIAT REGARDLESS OF HOW TENTATIVE THESE MAY BE.
THIS APPEARS TO BE CONSISTENT WITH THEIR OVERALL PROGRAM
TO LIMIT ALL PUBLICITY THAT POSSIBLY COULD BE MISUNDER-
STOOD OR INTERPRETED NEGATIVELY PRIOR TO THEIR ELECTIONS.

CONSEQUENTLY, ANY SUCCESS THE U.S. OBTAINS IN GETTING A SCOPING PACKAGE AGREED AND CIRCULATED WILL REPRESENT A MAJOR BREAKTHROUGH IN PLACING SOON THE KEY ISSUES BEFORE THE PARTICIPATING PARTIES IN THE TOKYO ROUND IN A QUASI OFFICIAL MANNER.

B) THE FRENCH MINISTERS HAVE NOT YET TAKEN A DECISION ON THE COMMISSION'S PROPOSAL FOR DEPTH OF TARIFF CUT. CONSEQUENTLY, THEY ARE ANXIOUS NOT ONLY TO SEE THIS SITUATION REFLECTED ACCURATELY IN ANY PAPERS DEVELOPED BUT WISH TO AVOID FINDING THEMSELVES PLACED IN A POSITION WHICH, IN FACT, LEAVES NO LATITUDE FOR ALTERNATIVE DECISIONS.

C) DE MOREL HINTS THAT HIS GOVERNMENT MAY FINALLY ACCEPT THE 40 PERCENT GOING-IN FIGURE BUT IT WILL BE WITH GREAT RELUCTANCE AND CERTAINLY THE HOPE THAT THE SECOND PHASE OF NEGOTIATIONS WILL PROVIDE FOR SOME EROSION TO A LEVEL CLOSER TO 32/33 PERCENT. CONSEQUENTLY, THE U.S. NEGOTIATORS WILL NEED CONTINUALLY TO STRUGGLE AGAINST THIS FRENCH PRESSURE ON THE EC.

2. CONCERNING THE CURRENT TARIFF DRAFT TEXT, DE MOREL SAID THAT HE COULD NOT APPROVE THE 40 PERCENT REDUCTION AS THE ONLY FIGURE IN THE TEXT, EVEN IN BRACKETS, SINCE THAT WOULD PREJUDGE THE FRENCH DECISION AND WOULD CLEARLY REPRESENT IN THEIR VIEW A PRIVILEGED HYPOTHESIS THAT WOULD BE VERY DIFFICULT EVEN TO CHALLENGE. THUS, HE AGAIN LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 GENEVA 12528 211534Z

SUGGESTED A DELAY, INDICATING THAT THIS ISSUE MIGHT LATER BE RESOLVED BY STRAUSS AND BARRE IN JANUARY, OR FOLLOWING THE COUNCIL OF MINISTERS' MEETING ON JANUARY 17. ALTHOUGH CERTAINLY THESE POSSIBILITIES ARE REAL, HIS TACTICS APPEAR TO REPRESENT PRIMARILY A CONTINUATION OF THE FRENCH AIM TO AVOID PUBLICITY OR THE CIRCULATION OF PAPERS IF AT ALL POSSIBLE.

3. AFTER A LONG AND CAUTIOUS CONVERSATION FROM BOTH SIDES, DE MOREL FINALLY AGREED THAT, IF THE 40 PERCENT WERE MOVED FROM THE MAIN TEXT AND INCLUDED ONLY AS A FOOTNOTE, THEN THE FRENCH MIGHT ACCEPT A FOOTNOTE AS FOLLOWS: "A NUMBER OF PARTICIPANTS HAVE SIGNIFIED THEIR INTENTION TO TABLE OFFERS ON THE BASIS OF 40 PERCENT; OTHERS HAVE NOT YET TAKEN A POSITION." IT THEREFORE APPEARS THAT THIS PROVIDES A POSSIBILITY TO GET A TARIFF PAPER DISTRIBUTED IN SOME FORM RETAINING REFERENCE ONLY TO THE SINGLE FIGURE OF 40 PERCENT.

4. FOLLOWING APPROVAL FROM AMBASSADORS STRAUSS AND WOLFF, MCDONALD HAS COMMUNICATED THIS NOTION TO DENMAN AT THE EC. HE HAS AGREED TO SEEK CONFIRMATION WITH THE FRENCH AND AT

THE COMMISSION LEVEL IN BRUSSELS. MCDONALD

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, TRADE, NEGOTIATIONS
Control Number: n/a
Copy: SINGLE
Sent Date: 21-Dec-1977 12:00:00 am
Decaption Date: 22 May 2009
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977GENEVA12528
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770476-0004
Format: TEL
From: GENEVA USMTN
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19771229/aaaaaydt.tel
Line Count: 117
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: ef2549fe-c188-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: LIMDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: LIMDIS
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 07-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 151616
Secure: OPEN
Status: NATIVE
Subject: MCDONALD/DE MOREL CONVERSATIONS ON DECEMBER 20
TAGS: ETRD, FR, XX, MTN, EEC
To: STATE USEEC
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/ef2549fe-c188-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009